

MDOT Implementation Questions
House Bills 5731, 5732 and 5733
March 9, 2010

The three areas below are areas within the bill that will require MDOT interpretation and implementation.

“Designated

Recipient”

Under Section 8 of the bill “Ninety days after the effective date of this act, an authority shall become the "designated recipient" for its public transit region ... to apply for state and federal transportation operating and capital assistance grants; provided that there is a designated recipient in place for the public transit region as of the effective date of this act.”

MDOT is not sure what the Legislature’s intent is regarding how Comprehensive Transportation Funds (CTF) should be distributed under Act 51 of 1951 if these bills become law. The term “designated recipient” has no meaning in state law, only federal law. We believe the current language will result in differing interpretations as to how MDOT is to distribute CTF and as such may not result in the desired outcome. House Bill 5731 and House Bill 5732 (which amends Act 51) should clarify the Legislature’s intent so you can be sure MDOT’s implementation yields the desired results. To clarify this language, you first need to answer the following questions. Is it the desired outcome for the authority to become the only entity to receive CTF funds from MDOT? As such, will the authority pass funding onto others or direct MDOT as to which entities are the receive funding and at what levels? Are DDOT, SMART and the DTC to remain eligible to receive Act 51 assistance as they do now? Do you want the new authority to have any legal obligation to pass through federal or state funds to existing providers?

Regional Transportation Coordinating Council (RTCC)

The second area of concern to MDOT – very much related to the issue above – is the relationship between the new authority and the Regional Transportation Coordinating Council (RTCC) created under Act 204 of 1967. It appears the RTCC will continue to exist. How will both entities meet their legislative mandates in the presence of the other? Which entity (and which law) guides MDOT’s distribution of CTF assistance to the region?

Board Composition

The final area of concern to MDOT is composition of Board: Under the bill, the authority is governed by five member Board, including a Governor’s representative, either the MDOT Director or a member of the State Transportation Commission. What is the rationale behind having a state representative on the Board? The state is not a member of any other local transit board in Michigan, although there are state representatives on large metropolitan transit boards in other areas of the country. Will it create a conflict of interest since the MDOT Director and State Transportation Commission approve and oversee state grants that will be awarded to the region?